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May 26, 1998

To: M. A. Young

RE: Monthly Status Report- May 1998

**I. Full Priced Brands**

**A. Volume and Share Trends (through w/o 5/22/98)**

Direct Chain	Case Volume YTD	ATM Share
Waketern Food Corporation	- 21.58%	-2.1%
Plainbridge Inc.	-34.07%	-3.8%
Grand Union Company	-14.93%	n/a

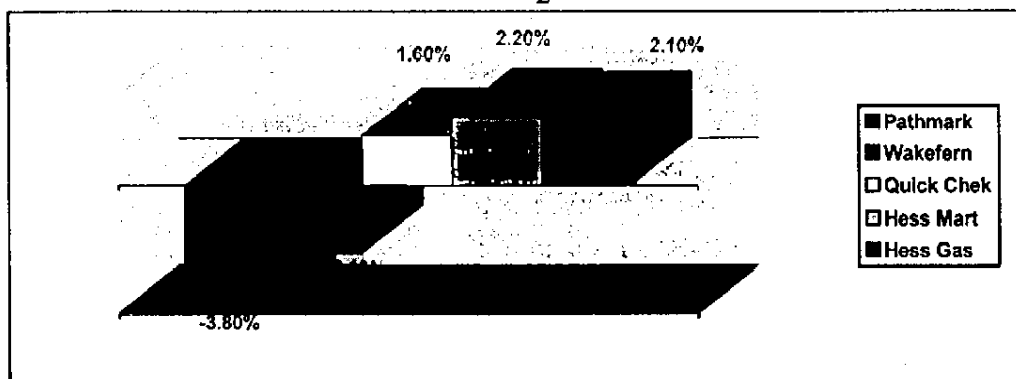
**B. New Brands**

Nothing to report.

**C. Observations and Recommendations**

Our Full Price SOM continues to fall in Supermarkets, and show growth in C Stores.

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## II. Branded Savings

### A. Volume and Share Trends (through w/o 5/22/98)

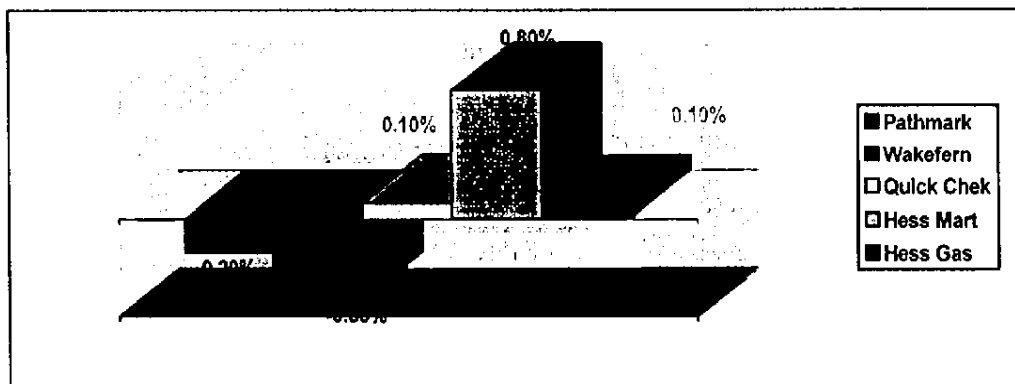
Direct Change	Case Volume YTD	AIM Share
Wakefern Food Corporation	-27.96%	- .5%
Plainbridge Inc.	-16.77%	- .2%
Grand Union Company	-14.29%	n/a

### B. New Brands

Nothing to report.

### C. Observations and Recommendations

A similar share decline in supermarkets and growth in C Stores is being noted in Branded Savings.



### III. Private Label

Signature (Amerada Hess Corp.) This Brand continues to perform well in both Marts and Gas Stations. Year to date Signature is up 2.1% in share in Marts and 1.7% in Gas Stations.

COURIER (Quick Chek Food Stores) Phil Baseil has notified me that his C Store/Gas Group of stores has dropped Christy's due to the chain's decision to become a 7-11 franchise. The group will be adding three (3) more chains. The chains are interested in obtaining the rights to COURIER, and developing a group marketing plan for the Brand. I have conveyed this information to Jim Farmer.

WORTH (Wakefern Food Corporation) This Brand is down 21.33% year to date (-32 cases). Based on potential growth of the low end in New Jersey, I will run Price Plus Programs each quarter for the remainder of 1998. Additionally, the Co-Op will be increasing the off invoice monies to \$3.00 per carton effective July 1. \_

### IV. Merchandising

Amerada Hess Corporation A "Top to Top" Meeting was held with this chain in Winston-Salem on May 7 and 8. In attendance for Hess was Charlie Iszard, Category Manager, Rick Lawlor, Director of C Store Operations, Borden Walker, VP of C Store Operations, and Chip Small, VP of Retail Operations. The meeting was received with very positive feedback from all Hess Management in attendance. Spent one day touring Pennsylvania C Stores and CTS Stores with Charlie Iszard, Sam Peters and AE Jim Piscitelli. The objective in visiting CTS Stores was to develop a "game plan" relative to uniformity in merchandising and promotional activity. A trip to Florida is planned for July 14-16 with Charlie Iszard, DM Felix Oliu, and Jim Piscitelli.

Quick Chek Food Stores Presented our New World Contracts to Phil Baseil on 5/20. BAT has made a presentation which includes the following components:

- Providing all fixturing for the Industry at no cost.
- One time cash bonus of \$ 200,000
- RDA payments of \$ 378,000 annually (\$ 315 monthly per store)
- Billboard advertising allowance of \$ 57,000

Three types of setups were presented; 12' (PM 6'/RJR 3'/BAT 3'), 10' (PM 5'/RJR 2'/BAT 3'), Island Checkout 8' (PM 4'/RJR 2'/BAT 2'). Baseil is attempting to develop a planogram that will avail his Chain of contracts from all Manufacturers, including Lorillard. Additionally, his C Store "Consortium" has asked him to do the same for all Members. He has not shown the BAT Proposals to PM or Lorillard. This will be done the week of 5/25. I reiterated our position of needing a minimum of 3' feet for display and promotion.

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Wakefern Food Corporation Category Manager Maureen Gulick has asked our assistance in developing a Category Management approach to the Cigarette Category. I provided Maureen with information from CAPS, and Mercury. I have also asked for some basic information from Jim Perry.

Foodarama Supermarkets Fixturing has been ordered for the new Boundbrook Stores slated to open in late July.

Village Shop Rite Backbar fixtures have been ordered and scheduled for installation in the Watchung, Springfield and Union Stores.

Shop Rite Supermarkets The newly remodeled Richmond Avenue Store will have a grand reopening in mid August.

Pathmark Stores This Chain has still not announced an implementation date for their new carton planograms. I will be presenting a business review on Wednesday, May 27.

A&P NY Metro (Super Fresh) Nothing to report.

Grand Union Company Nothing to report.

## VI. Miscellaneous

### May Activities

- 5/4- Met with DM Mitch McGovern, and RM Sue Sirianni to discuss Chain/Retail Division Procedures.
- 5/7&5/8- Hess Top to Top Meeting
- 5/12- Pennsylvania Store Tour with Amerada Hess
- 5/14 & 5/15- Region New World Contract Meeting
- 5/28- North Jersey Sales Rep Toolkit Training
- 5/29- Jersey City Sales Rep Toolkit Training

*G. N. Karuc, Jr.*

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